

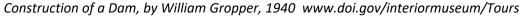
Bipartisan Infrastructure Law PL 117-58 (IIJA)

Implementation Update Information Session July 28, 2022

Overview for today:



- What's new since last Information Session in April 2022?
- What remains for fiscal and calendar 2022?
- Your questions and comments





Available resources:

- Information on the BIL website at https://www.usbr.gov/bil:
 - Reclamation has announced nine funding opportunities so far this year
 - Recordings of past informational sessions in December, January and April
 - Spend plans, news releases, frequently asked questions
 - Table displaying BIL funding distribution method and timing
 - Buy America information
 - Links to relevant Executive Orders and OMB memoranda



BIL Implementation Strategic Objectives:

- Increase Water Reliability and Resilience
- Support Racial and Economic Equity
- Modernize Infrastructure
- Enhance Water Conservation, Ecosystem, and Climate Resilience



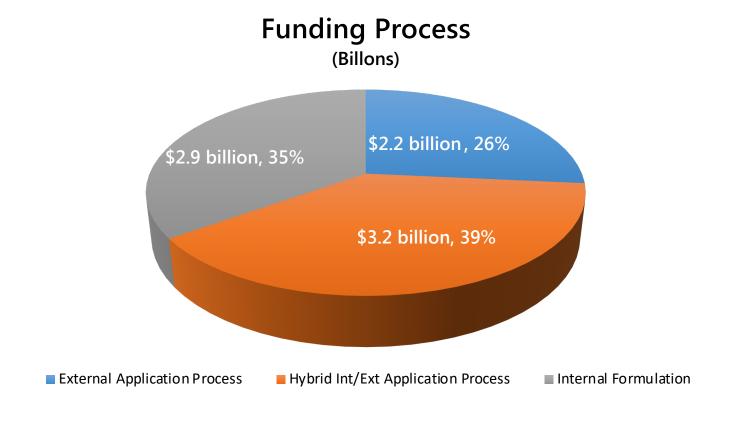
Crow Tribe Reservation, Municipal Water System, Montana, March 2022

What is funded for Reclamation in BIL?

Reclamation's \$8.3 billion in BIL Funding (\$1.7 billion per year for 5 years)	
New or expanded water storage & conveyance	\$1.15 billion
Aging Infrastructure / Extraordinary Maintenance (XM)	\$3.2 billion
Rural Water Projects (MT, ND, NM, SD, IA, and MN)	\$1 billion
Water recycling and reuse	\$1 billion
Desalination	\$250 million
Safety of Dams	\$500 million
WaterSMART Grants	\$400 million
Colorado River Drought Contingency Plans	\$300 million
Cooperative Watershed Management	\$100 million
Aquatic Ecosystem Restoration	\$250 million
Watershed health	\$100 million
Endangered Species in the Colorado River	\$50 million
Indian Water Rights Settlements Completion Fund *	\$2.5 billion (BIA/DOI/BOR)
Ecosystem Restoration (Section 40804) *	\$950 million (DOI-wide)

^{*} Denotes BIL program areas not appropriated directly to Reclamation, but in which Reclamation is participating through DOI.

How Reclamation's Infrastructure funding is being distributed

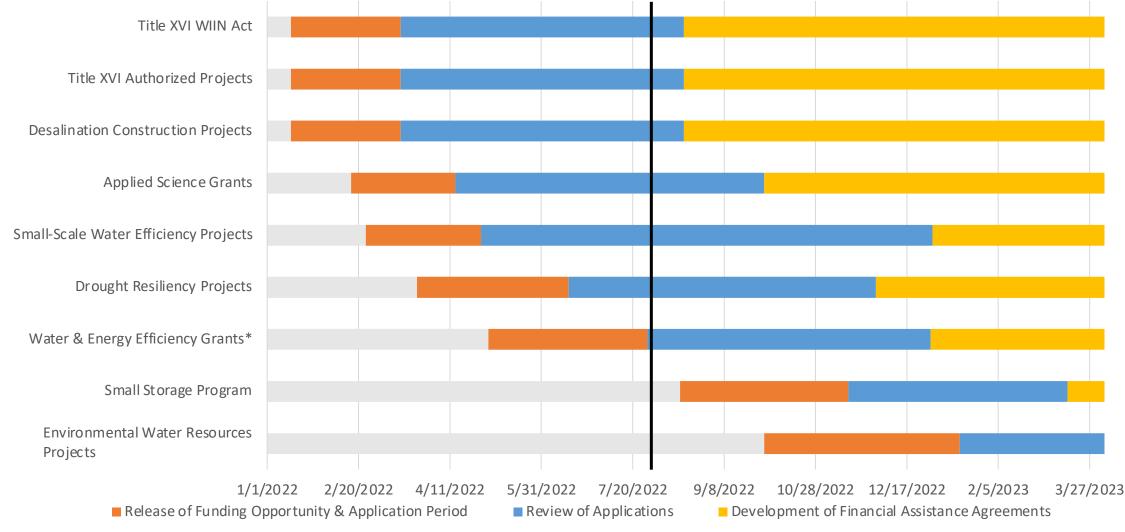


Approximately 2/3 of Reclamation's BIL funds rely on an application process

\$5.40bn



Status of select BIL-funded grant programs.



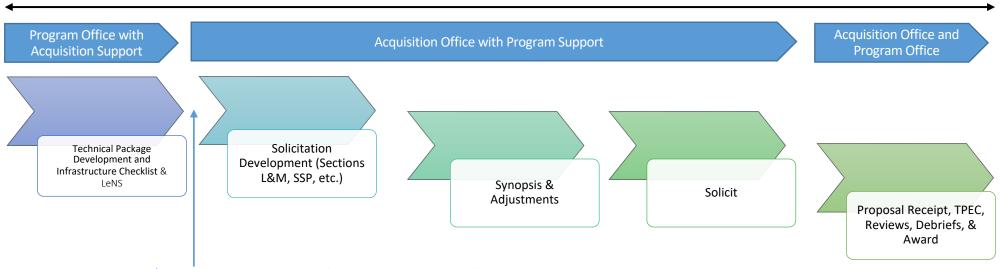


BIL Implementation Guidance documents:

- OMB Memo 22-08, 12/2021, "Identification of Federal Financial Assistance Infrastructure Programs Subject to the Build America, Buy America Provisions of IIJA"
- OMB Memo 22-11, 4/18/22, "Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure"
- OMB Memo 22-12, 4/29/22, "Advancing Effective Stewardship of Taxpayer Resources and Outcomes in the Implementation of IIJA"
- Executive Order 14052, 11/15/21, "Implementation of IIJA"
- <u>Executive Order 13985</u>, 1/20/21, "Advancing Racial Equity and Support for Underserved Communities Through the Federal Government" (pre-dates BIL but referenced in OMB Memo 22-12)
- Executive Orders 14005, 14008, 14020, 14028, and 14058 also referenced in OMB Memo 22-12
- <u>DOI Guidance Buy America</u> and waivers (referencing OMB Memo 22-11)
- <u>DOI 6-month General Applicability Waiver</u>, 07/13/2022, "Adjustment Period General Applicability Waiver of Build America, Buy America Provisions as Applied to DOI Federal Financial Assistance Agreements"

BIL Request for Proposal (RFP) Timeline

Estimated low 180 days, high 300, +/- 30 days



Shovel Ready Package is bid/competition ready – the specification package is ready for solicitation and designs are 100% complete and the procurement package is ready for immediate incorporation into the solicitation. Design changes will not be made, nor are additional studies/analysis being conducted which affect the solicitation or bid processes. In addition, the program office has obtained all right of ways and permits and completed/obtained all environmental permits/requirements. Prior to submission to the servicing Acquisition Office the Region's Chief of the Contracting Office will sign-off on the package and supporting checklist



BIL Implementation Milestones*:

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12/10/21 – First of three tribal and stakeholder BIL briefings (continued 12/17/21 and 1/7/22)
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- 12/16/21 Aging Infrastructure Application Period opens
- 1/14/22 Initial FY 2022 BIL Spend Plan released (program level)
- 1/14/22 First BIL Funding Opportunities for Recycling and Desalination Projects open
- 1/26/22 DOI Tribal Consultations on BIL (1/26 through 1/28/22)
- 2/22/22 DOI Indian Water Rights Settlement/RWSF Allocations released
- 3/22/22 FY 2022 BIL Dam Safety Spend Plan Addendum released (project level)
- 3/24/22 Funding Opportunity for Drought Resiliency Projects opens
- 3/29/22 FY 2023 BIL Spend Plan released (program level)
- 3/31/22 FY 2022 BIL Rural Water Spend Plan Addendum released (project level)
- 4/22/22 Congressional, Tribal and Stakeholder BIL update briefings
- 5/9/22 Aging Infrastructure/Extraordinary Maintenance Project list released (project level)
- 6/17/22 BF Sisk Dam Safety groundbreaking (BIL funded)
- 6/21/22 BIL awards for 14 Water & Energy Efficiency Grant (WEEG) projects announced
- 7/5/22 BIL awards for \$26.7M in Environmental Water Restoration Projects (EWRP) announced



* Condensed list

WaterSMART Program Funding Opportunities

U.S. Department of the Interio Bureau of Reclamation WaterSMART

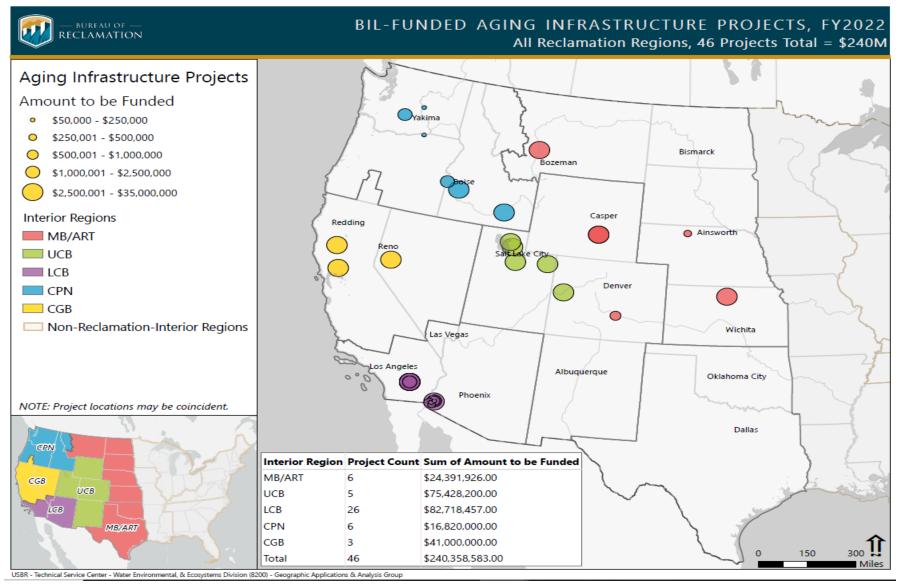


Status of WaterSMART Program Funding Opportunities

Program	Eligible Applicants	Federal/Non-Federal Cost Share	Funding	Current Status
Water and Energy Efficiency Grants On-the-ground water management improvement projects, including projects that conserve water and address water supply reliability.	Category A Applicants: States, Indian tribes, irrigation districts, water districts, or other organizations with water or power delivery authority. Category B Applicants: Nonprofit conservation organizations that are acting in partnership and with the agreement of an entity described above.	years; up to \$2 million for projects to be completed within three years; and up to \$5 million for large projects to be completed within three years. Non-Federal Cost Share: 50% or greater.	Law funding includes \$160 million for grants through the six funding opportunities described on this page.	FY22 selections were announced on May 16, 2022. 14 additional selections were announced on June 21, 2022. A Funding Opportunity to allocate FY23 appropriations and Bipartisan Infrastructure Law funding was released on May 2, 2022. Applications are due July 28, 2022.
Small-Scale Water Efficiency Projects Small water efficiency improvements that have been identified through previous planning efforts.	Applicants must be located in the Western United States or United States Territories specifically: Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming (the "17 Western States"), Alaska, Hawaii, American	Up to \$100,000 for projects to be completed within two years. Total project costs should generally be less than \$225,000.	that amount will be designated	FY22 Funding Opportunity was posted to grants.gov on February 24, 2022. Applications received by April 28, 2022, are currently under review.
Water Marketing Strategy Grants Planning activities to develop water marketing strategies that establish or expand water markets or water marketing activities between willing participants.	Samoa, Guam, the Northern Mariana Islands, the Virgin Islands, or Puerto Rico.	within three years.	\$18 million available for cooperative watershed	FY21 selections were announced July 1, 2021. The next Funding Opportunity is expected in fall or winter 2022.
Drought Resiliency Projects Funding for on-the-ground projects and modeling tools that will increase water reliability and improve water management.		within three years; and up to \$5 million for large projects to be completed within three years. Non-Federal Cost Share: 50% or greater.	Environmental Water Resources Projects funding opportunity. These funding opportunities will also be used to allocate available FY22 and FY23 appropriations.	A Funding Opportunity to allocate FY23 appropriations and Bipartisan Infrastructure Law funding was posted to grants.gov on March 24, 2022. Applications received by June 15, 2022 are currently under review.
Environmental Water Resources Projects	Applicant eligibility is as described above with the	and the same of the same of the same	Each funding opportunity includes further details.	FY22 Funding Opportunity applications received by



BIL Aging Infrastructure Projects-Year One:





Reclamation Funding Opportunities:

CLOSED, IN PRE-AWARD REVIEW, OR AWARDS ANNOUNCED:

- 1. Aging Infrastructure/XM projects announced 5/9/22
- 2. Title XVI traditional projects, closed 3/15/22
- 3. Title XVI WIIN projects, closed 3/15/22
- 4. Desal construction projects, closed 3/15/22
- 5. Cooperative watershed management, CWMP Phase I, closed 3/31/22
- 6. Applied science projects, closed 4/14/22
- 7. Drought contingency planning projects, closed 4/14/22
- 8. Drought Resiliency Grants, closed 6/15/22

OPEN NOW:

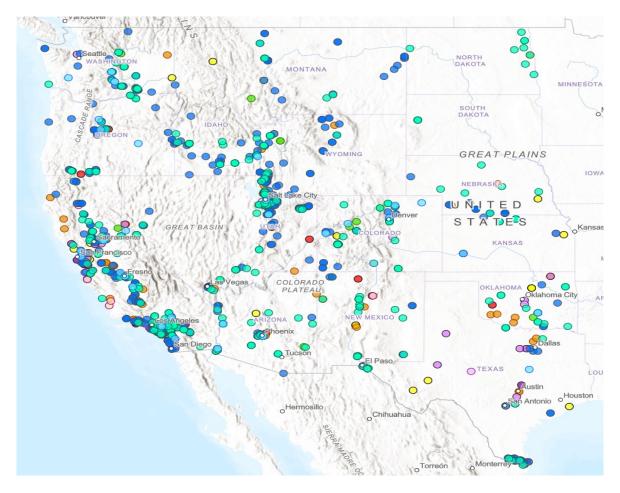
1. Water & Energy Efficiency Grants (open thru 7/28/22)

STILL TO COME:

- 1. Environmental water resources projects (including CWMP phase II) (2022)
- 2. Large scale water recycling (2022-2023)
- 3. Water marketing strategy grants (2022)
- 4. Small scale water storage (2022)
- 5. Aquatic ecosystem (FY 2023)



Funding Opportunity awards:



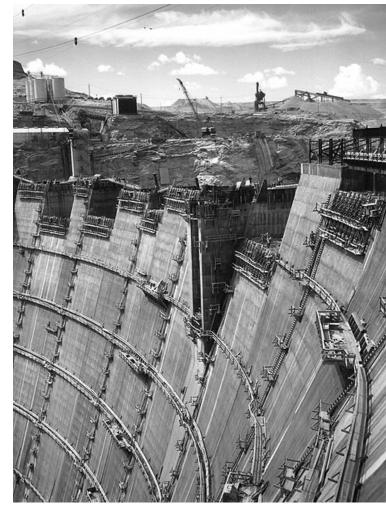
https://www.usbr.gov/watersmart/

- Reclamation grant projects selected from 2010-2021 are expected to facilitate water conservation of more than 1.5 million acre-feet
- Conservation helps reduce the impact of drought
- West-wide participation and awards



Buy America: What is *not new*, not in BIL?

- Domestic procurement / Buy America laws existed and were implemented long before the BIL
- Buy American Act of 1933 (41 U.S.C. §§ 8301-8305):
 - Preferential treatment for domestic products and construction materials
 - Does not necessarily, but may, prohibit using foreign goods



Construction of Glen Canyon Dam, Colorado River Basin Storage Project, 1963



Buy America: What is *not new*, not in BIL? (*continued*)

- Trade Agreements Act of 1979 (19 U.S.C. §§ 2511-2518):
 - Places products from certain countries on equal footing with domestic products in certain circumstances
 - If TAA applies, prohibits purchase of cheaper ineligible products and services (products and services coming from non-TAA countriescountries that are not part of a trade agreement such as NAFTA, WTO, etc.)
- Procurement versus Financial Assistance



Buy America: What is new in BIL?

- BIL Title IX, Subtitles A and B of PL 117-58 apply to Financial Assistance
- Reclamation's Notices of Funding Opportunities (NOFOs) now feature Buy America preference language
- Waivers can be obtained per Section 70914(c) of the Act based on:
 - (1) A preference would be inconsistent with the public interest (a "public interest waiver");
 - (2) Types of iron, steel, manufactured products, or construction materials are not produced in U.S. in sufficient quantity or quality (a "nonavailability waiver"); or
 - (3) The materials produced in the U.S. will increase the cost of the overall project by more than 25 percent (an "unreasonable cost waiver").
- General 6-month Adjustment Period Waiver expires January 12, 2023



East Low Canal Radial gates, Columbia Basin Project, Washington state, March 2022



Covered Programs, Buy America

Covered:

- WaterSMART:
 - Title XVI Projects
 - Desalination Construction Projects
 - Large-Scale Recycling
 - Drought Resiliency Projects
 - Water and Energy Efficiency Grants
 - Small-Scale Water Efficiency Projects
 - Environmental Water Resources Projects
- Aquatic Ecosystem Restoration
- Aging Infrastructure
- Rural Water
- Other programs that include funding for infrastructure

Exempt:

- PL 93-638 Indian Tribes & Tribal Organizations
- 2021 Conservation Service Corps
- Fishing Events
- WaterSMART planning activities (Drought Contingency Planning, CWMP Phase I, Applied Science Grants, Water Marketing)
- Research & Development/Science & Technology



Upcoming Announcements



Altus Dam Safety of Dams construction, Oklahoma, April 2022

- Additional detail tiering from FY 2022 and FY 2023 BIL spend plans
- Award of WaterSMART grants funded by BIL (summer, fall, winter)
- FY 2023 Aging Infrastructure application period (October)
- BIL-funded storage projects (Fall 2022)
- Per slides 11 and 13 (above), additional funding opportunities, including small surface & groundwater storage (August 2022)



Key Takeaways

- Stay engaged, tell us how we can help!
- Contact us dozens of original, BIL-specific emails replied from usbr.bil@usbr.gov
- Updated frequently asked questions online at: www.usbr.gov/bil/docs/BIL Gener al FAQ.pdf



Reclamation Commissioner Touton testifies before Congress, Washington, DC, June 2022

Final thoughts:

- BIL is happening now!
- BIL is funding opportunities, internal formulation, application periods, and spend plans
- BIL will be a success with your partnership, thank you for attending today!



Navajo-Gallup Water Supply Project, New Mexico, March 2022



